

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 MARC SPITZER, Chairman
4 WILLIAM A. MUNDELL
5 JEFF HATCH-MILLER
6 MIKE GLEASON
7 KRISTIN K. MAYES

In the matter of:)	DOCKET NO. S-03545A-03-0000
)	
CHRIS HUGH RUTLAND)	ORDER REVOKING SECURITIES
(CRD #1898966))	SALESMAN REGISTRATION
4781 West Ferret Drive)	
Tucson, Arizona 85742)	Decision No. 66766
)	
Respondent.)	
)	

11 **I.**

12 **INTRODUCTION**

13 On October 14, 2003, the Securities Division ("Division") of the Arizona Corporation
14 Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order of
15 Revocation and for Other Affirmative Action ("Notice") against Chris Hugh Rutland ("Rutland").

16 **II.**

17 **FINDINGS OF FACT**

18 1. Pursuant to A.R.S. § 44-1972, Ariz. Admin. Code R14-4-306, and A.R.S. § 44-1962,
19 the Notice advised Rutland that he would be afforded an opportunity for hearing regarding the allegations
20 made in the Notice if he filed a written request for a hearing with Docket Control of the Commission
21 within ten days after receiving service of the Notice, and filed an Answer to the Notice with Docket
22 Control of the Commission within thirty days after receiving service of the Notice. The Notice further
23 advised Rutland that, if he failed to request a hearing and answer the Notice within the time specified, the
24 Commission could, without a hearing, enter an order against him granting the relief requested by the
25 Division in the Notice.

26

2. On October 15, 2003, the Division effected personal service of the Notice upon Rutland at the address shown in the caption above.

3. More than thirty days have passed since service of the Notice, and Rutland has neither requested a hearing nor filed an Answer to the Notice.

4. On November 19, 2003, the Division filed with Docket Control of the Commission an Affidavit on Default and Application for Entry of Default. A copy was mailed by certified mail, return receipt requested, to Rutland at his last known address. The certified mailing was signed for on November 21, 2003.

5. From May 6, 1997 to June 1, 2001, Rutland was registered as a securities salesman in Arizona and associated with Northeast Securities, Inc., based in Mitchelfield, New York ("Northeast"). On June 1, 2001, Rutland was permitted to resign from Northeast, and since that time he has not been associated with a dealer. Rutland was also employed by Jaron Equities Corporation of Hicksville, New York ("Jaron") from October 1995 to February 1997, before being registered in Arizona. Rutland's last known address is 4781 West Ferret Drive, Tucson, Arizona 85742.

6. Effective March 12, 2003, the National Association of Securities Dealers ("NASD") entered an order in NASD Docket/Case Number 8210-3A020005 barring Rutland from any association with any NASD member in any capacity.

7. The NASD took that action because Rutland had failed to respond to an NASD request for documents and/or information pursuant to a suspension notice issued in September 2002. The suspension resulted from a complaint the NASD received on July 20, 2001, from an elderly woman who lived in the northeastern United States.

8. The NASD is a self-regulatory organization ("SRO") in the securities industry; it is registered as an SRO under the Securities Exchange Act of 1934. Accordingly, Rutland is "subject to an order of . . . an SRO . . . revoking membership or registration as a broker" as specified in A.R.S. § 44-1962(A)(8).

....

1 13. The Notice was effectively served upon Rutland on October 15, 2003, pursuant to
2 A.R.S. § 44-1972, and Ariz. Admin. Code R14-4-304 and R14-4-306. The Notice effectively advised
3 Rutland of his opportunity to request a hearing and answer the Notice, and advised him of the effect of
4 his failure to do so.

5 14. Rutland failed to request a hearing or answer the Notice within the time limits specified by
6 the statute and rules cited in the preceding paragraph.

7 15. Grounds exist to revoke Rutland's registration as a securities salesman in Arizona
8 pursuant to A.R.S. § 44-1962. Specifically, Rutland:

9 a) Is subject to an order of an SRO revoking his membership or registration as a
10 broker, as specified in A.R.S. § 44-1962(A)(8);

11 b) Lacks integrity or is not of good business reputation, as specified in A.R.S. § 44-
12 1962(A)(4);

13 c) Has engaged in dishonest or unethical practices in the securities industry, as
14 specified in A.R.S. § 44-1962(A)(10); and/or

15 d) Has been convicted within ten years preceding the date of filing the application
16 for registration as a salesman, or at anytime thereafter, of a felony or misdemeanor involving a
17 transaction in securities, of which fraud is an essential element or arising out of the conduct of any
18 business in securities, as specified in A.R.S. § 44-1962(A)(6).

19 **IV.**

20 **ORDER**

21 THEREFORE, on the basis of the Findings of Fact and Conclusions of Law set forth above, the
22 Commission finds that the following Order is appropriate, in the public interest, and necessary for the
23 protection of investors:

24

25

IT IS ORDERED, pursuant to A.R.S. § 44-1962, that Chris Hugh Rutland's registration as a securities salesman in Arizona is revoked.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

/s/ Marc Spitzer
CHAIRMAN

William A. Mundell
COMMISSIONER

Jeffrey Hatch-Miller
COMMISSIONER

Lowell Gleason
COMMISSIONER

Kristin Mayes
COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL,
Executive Secretary of the Arizona Corporation
Commission, have hereunto set my hand and caused the
official seal of the Commission to be affixed at the Capitol,
in the City of Phoenix, this 5th day of
February, 2004.

/s/ Brian C. McNeil
BRIAN C. McNEIL
Executive Secretary

DISSENT

This document is available in alternative formats by contacting Yvonne McFarlin, Executive Assistant to the Executive Secretary, voice phone number 602-542-3931, e-mail ymcfarlin@cc.state.az.us.